

# **BEMIDJI CITY COUNCIL**

## **Work Session Agenda**

**Monday, July 13, 2015**

**City Hall  
Conference Room  
5:30 P.M.**



1. CALL TO ORDER / ROLL CALL
2. Consider Award of Bid for East-West Trail – City Project 15-04
3. CLOSE THE MEETING

For the purpose of discussing strategies for labor negotiations, including negotiation strategies or developments or discussion and review of labor negotiation proposals.

4. OPEN THE MEETING
5. ADJOURNMENT

***NOTE: All cellular telephones, pagers and BlackBerry devices to be switched to a non-audible function during Council and Committee meetings.***

# COUNCIL AGENDA ITEM



**Meeting Date:** July 13, 2015

**Action Requested:** 2015 Federal Aid Trail – Consider Awarding Bid – City Project 15-04

**Prepared By:** Craig J. Gray, P.E.  
Director of Public Works/City Engineer *CJG*

**Reviewed By:** Nate Mathews, City Manager *Nate*

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## Background:

On April 28 we held a bid opening for the construction of the second phase of the East-West Trail. This project will grade and pave the existing gravel trail from 5<sup>th</sup> Street to Adams Avenue (County Road 11) a distance of approximately 1.6 miles. See Exhibit A.

The project was awarded State Transportation Enhancement money (federal) and thus has to follow state and federal rules for the design, bidding and construction phases of the project.

## Bids

The following four bids were received:

<u>Bidder</u>	<u>Total Bid</u>
JD Hansen & Sons, Inc.	\$ 293,218.90
Reierson Construction, Inc.	\$ 321,019.30
Gordon Construction	\$ 361,217.84
Mark Sand & Gravel	\$ 503,028.30
Engineer's Estimate	\$ 337,000.00

## Discussion:

Because federal funds are involved the project required a Disadvantaged Business Enterprise (DBE) goal of 3%. This means that if the general contractor is not a DBE that at least 3% of the total contract amount must be completed by DBE sub-contractors. It also means that the city cannot award a contract until the State has approved the low bidder.

The bid that was submitted by JD Hansen & Sons was rejected by the State because it did not meet the DBE project goals. The city then had to submit the information on the second low bidder for approval. On July 7 we received word from the State that the bid submitted by Reierson Construction has been approved and that the city can now award the contract.

Finances:

The low bid of \$321,019.30 will result in a total project cost of approximately \$420,000 after engineering and construction inspection costs are added in. Funding for the project will come from the following sources:

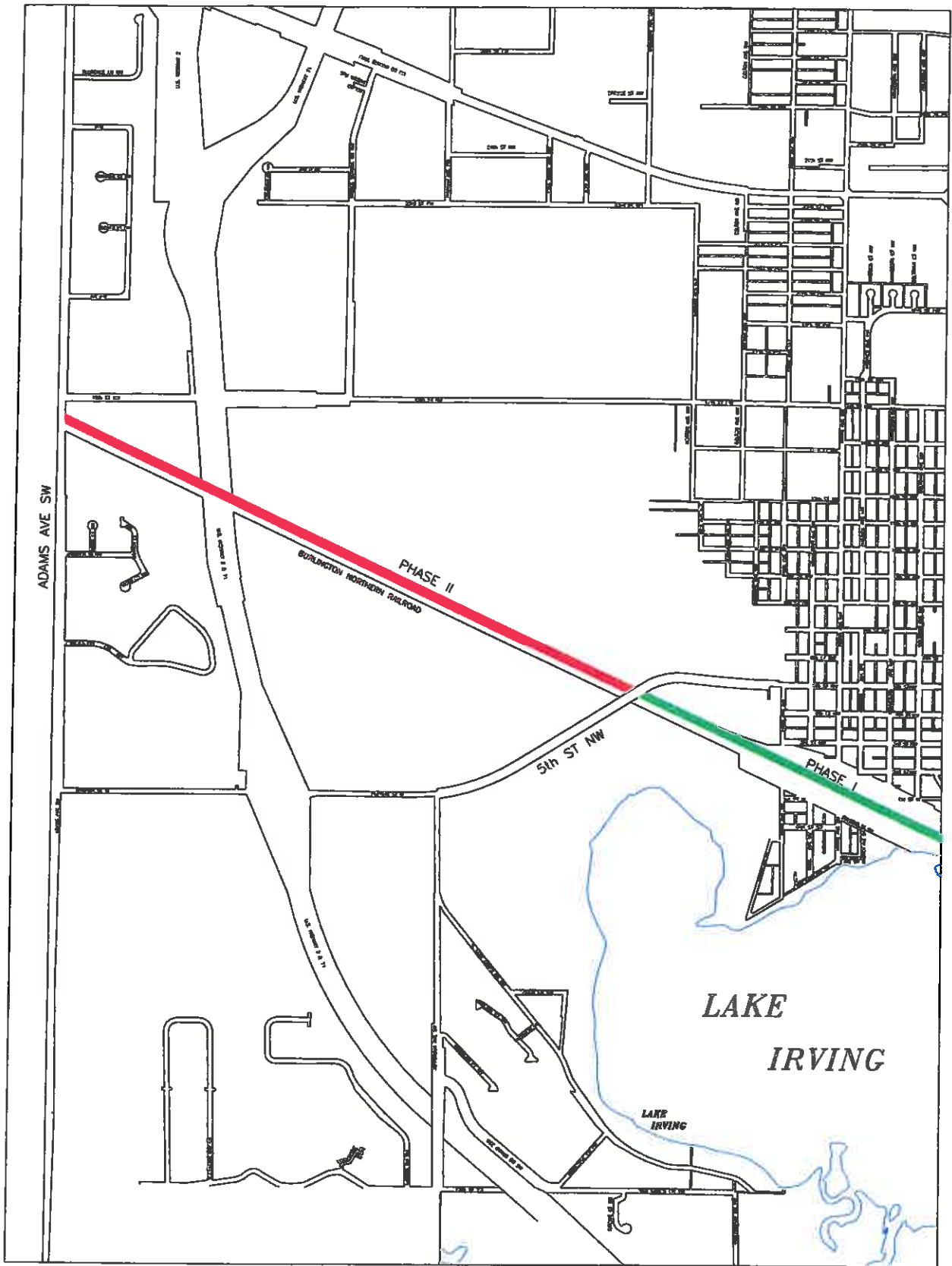
Federal Aid:	\$257,000
DNR Local Trails Grant:	\$ 50,000
City Reserves:	<u>\$113,000</u>
	\$420,000

The estimated city portion of \$113,000 is \$54,000 less than the \$167,000 that was budgeted in the 2015 Capital Improvement Plan.

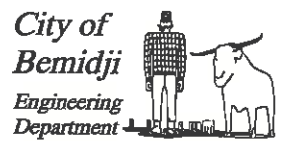
Recommendation:

It is recommended that the city council pass a motion awarding the bid to Reiersen Construction in the amount of \$321,019.30 for the 2015 East-West Trail, City Project 15-04.

# EXHIBIT A



## EAST WEST TRAIL PHASE II





**Minnesota Department of Transportation**

Office of Civil Rights, MS 170  
395 John Ireland Boulevard  
Saint Paul, MN 55155

July 6, 2015

Craig Gray  
City of Bemidji  
1351 5<sup>th</sup> Street NW  
Bemidji, MN 56601

**SUBJECT: SP 105-090-007**

Dear Mr. Gray,

Please be advised that Reierson Construction has met the Disadvantaged Business Enterprise (DBE) participation goal on the above-referenced project. Therefore the Minnesota Department of Transportation's (MnDOT) Office of Civil Rights cleared this project today, July 6, 2015.

Enclosed are copies of the completed DBE Description of Work (**Exhibit A**) Form and the **Contractor Payment** form. Please distribute the enclosed forms to the Project Engineer assigned to this project. The Exhibit A Form should be used by the Project Engineer to monitor DBE participation on the contract. The Project Engineer should complete the bottom half of the page two of Exhibit A when the DBE's portion of the work is 1/4 to 1/2 completed and return the form to the Mn/DOT Office of Civil Rights. The contractor is responsible for completing the Contractor Payment Form. This form tracks payments to all contractors and vendors on federal projects. The Contractor Payment Form must be prepared in duplicate with copies being submitted to both the Project Engineer and the Mn/DOT Office of Civil Rights.

Additionally, please note that **Standard Specifications for Construction, Section 1908** state the following:

**"Unless the Contractor has presented an affidavit showing the total dollar amounts of work performed by Disadvantaged Business Enterprises (DBE), final payment may be withheld."**

Please inform the Project Engineer that the contractor must submit a **DBE Total Payment Affidavit** (copy enclosed), and that our office must approve the completed Affidavit and send you a final clearance memo concerning DBE participation **prior** to the authorization of any final payment on this project. Furthermore, the contractor must prepare and submit duplicate originals to both our office and the project engineer.

Andrea Robinson has been assigned to this project. If you have any questions concerning this project, please feel free to contact her at (651) 366-3353.

Sincerely,

D. Kimberly Collins,

Director, Office of Civil Rights

cc: Mark Channer, MNDOT  
Lou Tasa, DSAE  
Mark Fuller, Freeberg Grund

Enc.: Letter to Prime  
Contractor Payment Form  
DBE Total Payment Affidavit

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